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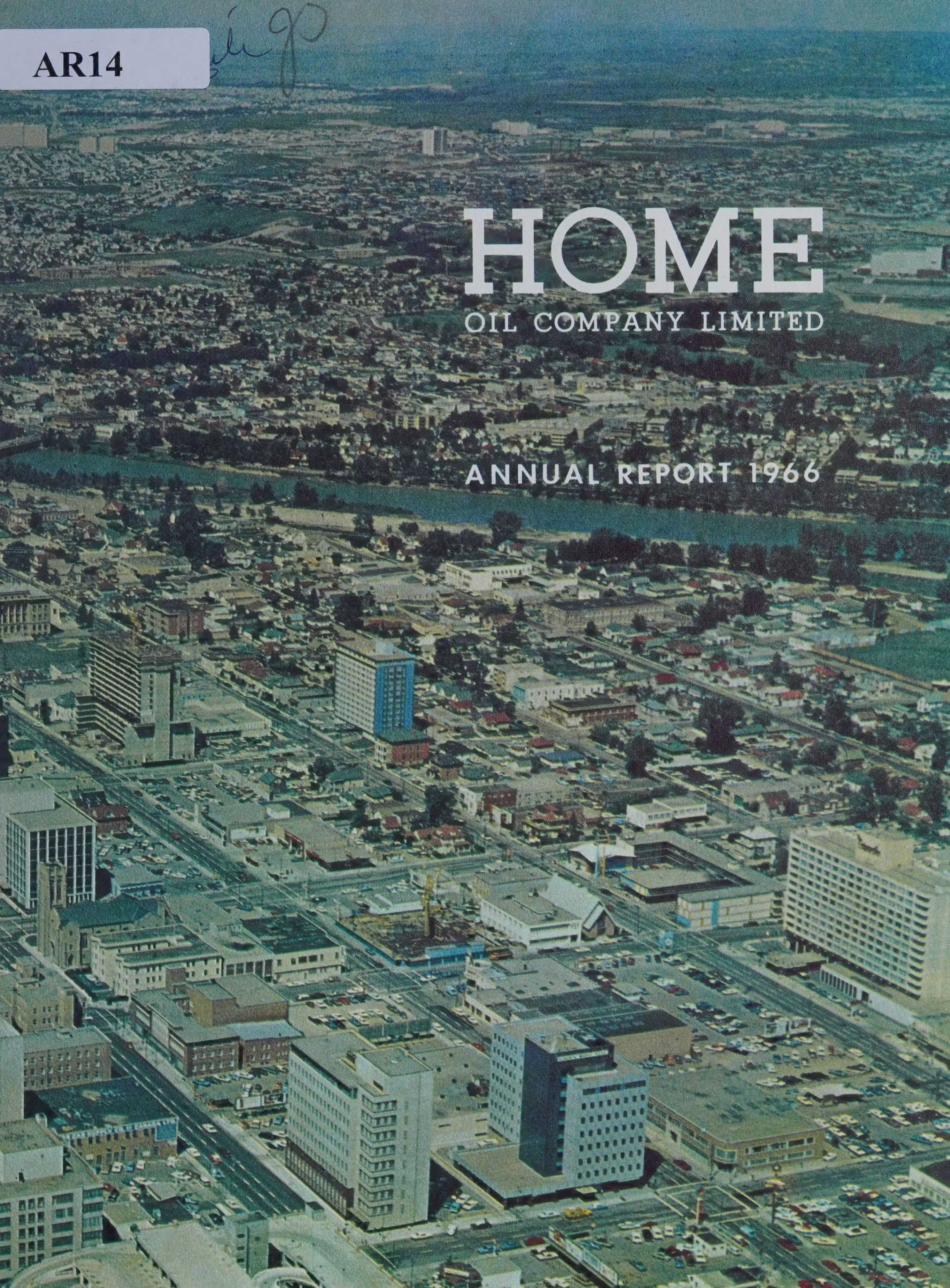
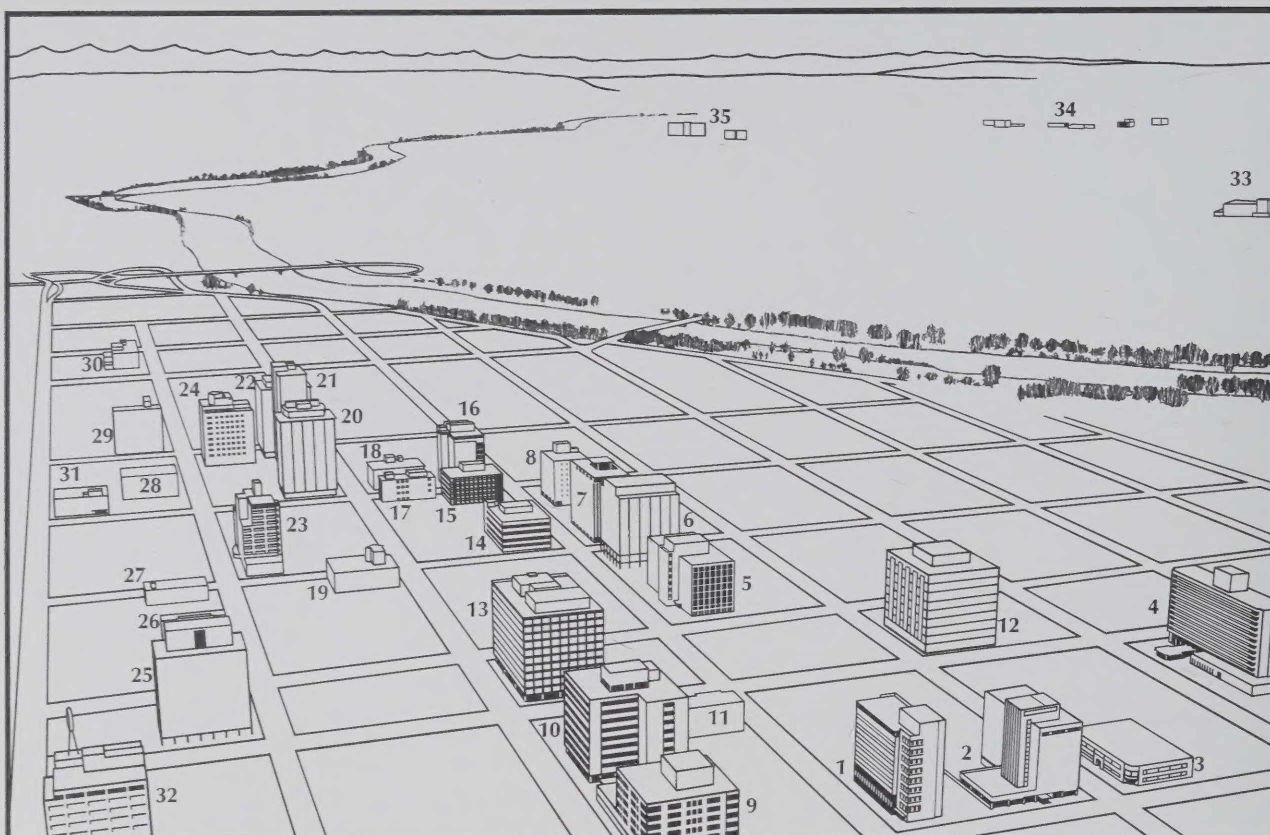


HOME
OIL COMPANY LIMITED

ANNUAL REPORT 1966



CALGARY 1967 – The City That Oil Built

1. Home Oil Company Limited
2. Alberta Wheat Pool
3. Ranger Oil Co. Ltd.
4. The Calgary Inn
5. Imperial Oil Limited
6. Jefferson Lake Petrochemicals of Canada Ltd.
   Banff Oil Ltd.
   Canada Cities Service Petroleum Corp.
7. Texaco Canada Limited
   Independent Petroleum Association of Canada
8. Western Decalta Petroleum Ltd.
   Fargo Petroleums Ltd.
9. Royalite Oil Co. Ltd.
10. Hudson's Bay Oil & Gas Company Ltd.
11. Chevron Standard Limited (future site is 12)
13. Pan American Petroleum Corporation
14. Oil & Gas Conservation Board
15. French Petroleum Co. of Canada Ltd.
16. Canadian Superior Oil Ltd.
    Amerada Petroleum Corporation
17. North Canadian Oils Ltd.
18. Dome Petroleum Ltd.
19. Triad Oil Co. Ltd.
20. British American Oil Co. Ltd.
21. Texas Gulf Sulphur Company
22. Kern County Land Company
23. Socony Mobil Oil of Canada Ltd.
24. Canadian Fina Oil Limited
    Canadian Export Gas & Oil Ltd.
    Central-Del Rio Oils Limited
    Great Plains Development Company of Canada Ltd.
    Tenneco Oil & Minerals Ltd.
25. Trans-Canada Pipe Lines Limited
26. Canada Southern Petroleum Ltd.
    Canadian Delhi Oil Ltd.
27. Scurry-Rainbow Oil Ltd.
28. Union Oil Company of Canada Limited
29. Sun Oil Co.
30. Shell Canada Ltd.
31. Husky Oil Canada Ltd.
32. Pacific Petroleums Ltd.
    Canadian Petroleum Association
33. Southern Alberta Jubilee Auditorium
34. The University of Calgary
35. Foothills Hospital

THE THIRTY-EIGHTH ANNUAL REPORT OF HOME OIL COMPANY LIMITED

1966

CONTENTS

CALGARY 1867

Because its roots go back to the very beginning of the oil industry in Western Canada, Home Oil thought it appropriate, in its annual report published in Canada's Centennial Year, to pay its respect to this historic event. And how better could that be done than by the reproduction of a picture of modern Calgary in contrast to Calgary as it was when Canada was born in 1867?

Our front cover is Calgary, the city that oil built, as it is today. On the inside of cover is Artist Robert Saunders' conception of Calgary in 1867.

So far as can be discovered, the site of the present city was an unexplored corner of the unknown hinterland of the continent in 1867. The Palliser Expedition spent four years in Western Canada between 1857 and 1860. They discovered the Kicking Horse Pass and the Kananaskis Pass during the four separate trips made to the Calgary area. But the closest they ever came to the site of Calgary itself was where they located the 1858 buffalo slaughter camp midway between Irricana and Airdrie.

It may be that wandering missionaries passed the confluence of the Bow and the Elbow rivers before 1870. If so they left no record, although Father Lacombe was reported to have had a log shack in the neighborhood when the N.W.M.P. arrived in 1875.

The establishment of the Mounted Police fort in 1875 was undertaken mainly as a precautionary measure. The whiskey traders who infested the United States - Canadian border country were quickly scattered from Fort Whoop-up, Fort Stand-off and Fort Slide-out. If they had tried to re-establish themselves farther north, Fort Calgary would have been the N.W.M.P. operational base. It was never needed and was eventually left in charge of a single Mounted Police constable.

With the building of the fort, a
But growth was extremely slow. F
North Hill in 1881 and counted
Mounted Police Post. When the
visited Fort Calgary the same year
later the first train arrived and wit
when it was incorporated as a to

Calgary's future was assured w
for its department of natural res
here. Its future as the oil capital
of the Turner Valley oilfield in
scores of companies which were
production in Turner Valley durin
covered by Turner Valley Royaltie
of the boom that developed.

The Calgary of Centennial Year
discovery of 1947. That discovery
to Alberta and they established th
of 75,000 in 1947, it has grown to

Not all the important buildings
office buildings. Some are hotels
Hill, in the centre of the picture,
The University of Calgary is on th
Calgary of 1967 is literally the city
identify a single large building wi
that is not associated with the Ca

e of trading posts were established. White, an early settler, stood on the shacks, 9 Indian teepees and the nor General, the Marquis of Lorne population was just 75. Two years he influx of settlers began. By 1884 had a population of 1,000.

he C.P.R. made it the headquarters and established its Ogden shops ada was assured with the discovery Calgary was the headquarters for ved in the development of wet gas 1920's. When crude oil was dis- 1936, Calgary was again the centre

vever, is the product of the Leduc ght oilmen from all over the world ead offices in Calgary. From a city 000 in 1967.

seen on our cover are oil company high-rise apartments. On the North new Foothills General Hospital and per right. But aside from these the oil built. It is almost impossible to he shining new downtown complex n oil and gas industry.

Highlights

- Home discovers gas in Yorkshire, England.
- Company enters liquefied petroleum gas storage, processing and marketing fields.
- Carstairs-Crossfield plant to be enlarged at a cost of $8,500,000.
- Increased land acquisitions made in Northwestern Alberta.
- Sulphur contributes substantially to Company's overall reserves.

A Comparative Summary

	1966	1965
Gross Revenue	$21,634,000	$20,130,000
Net Flow of Funds from Operations	$10,632,000	$10,921,000
Per Share	$ 2.15	$ 2.26
Net Earnings	$ 4,898,000	$ 5,221,000
Per Share	$ .99	$ 1.08
Number of Shareholders	13,700	13,900
Shares Outstanding	4,945,000	4,835,000
Production and Sales		
Crude Oil Production – barrels per day	11,451	10,963
Natural Gas Liquids Production – barrels per day	1,949	1,846
Natural Gas Sales – thousand cubic feet per day	56,770	61,823
Sulphur Sales – long tons	20,343	14,714
Pipeline Gatherings		
Cremona Pipe Line Division – barrels per day	36,265	36,348
Federated Pipe Lines Ltd. – barrels per day	128,462	110,719

R. A. BROWN, JR., *President*

To the Shareholders of Home Oil Company Limited

It is a pleasure to present the thirty-eighth Annual Report of Home Oil Company Limited. During 1966 your Company acquired and developed properties that are expected to add substantially to its future earnings. In addition to making its normal investments in land acquisitions and gas processing, the Company expanded its activities into liquefied petroleum gas storage and marketing facilities. Exploratory drilling, development drilling, and seismic assessment of Company property were maintained at a high tempo.

Financial

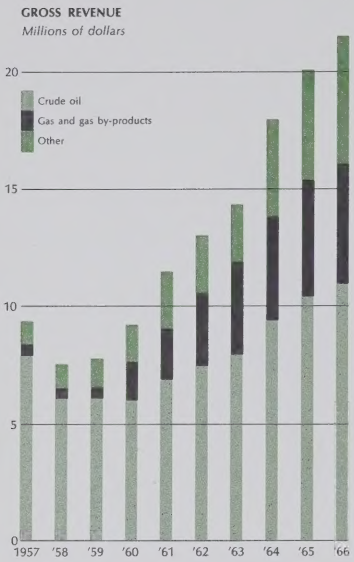
Gross revenue in 1966 amounted to $21,634,084 compared with $20,129,962 in 1965. Crude oil revenue increased $524,185 to a total of $10,960,448, an increase of 5%. Revenue from natural gas and by-products increased $225,829 to $5,205,010 or 4.5%. Other revenue was up $754,108 to a total of $5,468,626 or an increase of 16%.

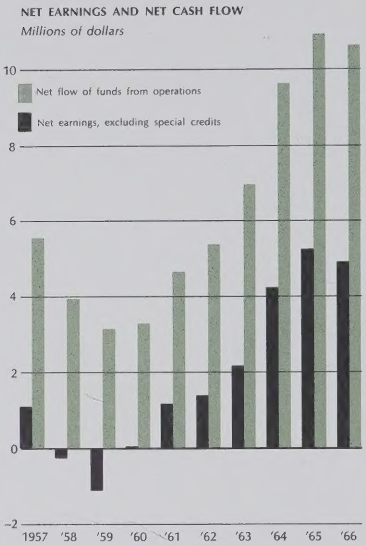
Net earnings were $4,897,806 in 1966 or $0.99 per share, compared with net earnings in 1965, excluding special credit, of $5,221,120 or $1.08 per share. The 1965 special credit was $516,133. Net earnings, before deferred income taxes, amounted to $6,934,514 or $1.40 per share, compared with $7,426,620 or $1.54 per share in 1965. Lower net earnings were due to substantially increased interest costs as well as somewhat higher operating and administrative costs.

Net flow of funds from operations amounted to $10,631,544 or $2.15 per share, compared with $10,920,689 or $2.26 per share in 1965. Dividends amounting to 50 cents per share were paid on Class A and Class B shares, the same as last year.

The Company's shareholdings in Trans-Canada Pipe Lines Limited and Calgary Power Ltd. at December 31, 1966 amounted to 1,291,885 and 526,875 shares respectively. Dividends declared of $1.00 per share by Trans-Canada and $0.70 per share by Calgary Power provided the Company with revenue of $1,660,000 during 1966.

In January, 1966, the sale was completed of $20,000,000 (U.S.) 5⅞% Secured Bonds, Series B to two insurance companies in the United States. The placement was made directly by Company officials which obviated the payment of an underwriting fee. The proceeds from this issue were used to retire bank indebtedness and to provide the Company with sufficient working capital to carry out the extensive exploration and development program outlined in this report.





Exploration

The most important discovery made by the Company in 1966 was the completion of the Lockton No. 2A well in Yorkshire, England. This well found 212 feet of net pay in the Middle Magnesian Limestone of Permian Age. The well has a calculated absolute open flow potential of 510 million cubic feet per day, a rate substantially in excess of any discovery yet reported in the North Sea.

Later in the year a second gas discovery was made approximately 16 miles to the northwest of the Lockton well. It found 18 feet of net pay in the Upper Magnesian Limestone and flowed at a rate of 4 million cubic feet per day on test. This well is located near an ancient monument on the Yorkshire moors known as Ralph's Cross and has been given that name.

Both wells are now capped waiting the sale of the gas to the Gas Council, the government agency of the United Kingdom which has a monopoly on the manufacturing and distributing of gas.

The discovery wells are on a block of 933,600 acres in Yorkshire in which an undivided 50% working interest has now been earned by the completion of all of the obligation wells. The discoveries are in an area very close to large potential markets in the industrial centres of the English midlands. The city of Leeds is only 40 miles away and Manchester and Sheffield are less than 100 miles to the west and south west. Middlesbrough, the industrial centre that is becoming the heart of a chemical complex on the Tees-side, is 25 miles north west and Newcastle-on-Tyne is within 75 miles of the discoveries. A two mile step-out north of the Lockton 2A well was started late in the fall. The Middle Magnesium Limestone of Permian Age was found non-productive. A natural gas show, found in the Upper Magnesium Limestone, is being evaluated for productivity. A further two mile step-out to the west was drilled and abandoned. Additional locations are being selected.

In the North Sea, additional marine seismic work was performed on three production licenses comprising a total of 767,158 acres in which the Company owns an undivided 50% working interest. The Company is currently making plans to secure a drilling barge so that a well may be drilled during 1968 or 1969.

In Canada, the Company was successful in extending the southern limit of the Marten Hills gas field by a distance of four miles. The Company has a 50% interest in 43,520 lease acres on which four wells were drilled. Three were successful gas wells and one was dry and abandoned. Two additional wells are to be drilled early in 1967.

In all, the Company participated in 26 exploratory wells in 1966 of which 7 were gas discoveries and 19 were dry and abandoned. Nineteen of the wells were drilled in Alberta, three in Yorkshire, one in Saskatchewan, one in British Columbia and two in Ontario.

In Saskatchewan two large petroleum and natural gas permits were acquired, one at Meadow Lake and the other in the Avonlea area. The former is a part of the play for Winnipegosis reef, and the latter primarily for Devonian and Ordovician production.

The Company is continuing its policy of active land acquisition and exploratory drilling of acreage showing potential for heavy crude. The prospective demand for this type of crude oil continues to be favourable.

In view of the recent successful development of the prolific Keg River reefs in north western Alberta the Company intensified its land acquisition program in this area.

Several large blocks of favourable land are now held in northwest Alberta totalling 901,183 gross acres as follows: South Rainbow Lake – 29,120 gross acres (14,560 net acres), Bistcho Lake – 81,280 gross acres (30,067 net acres), Steen River – 126,080 gross acres (42,027 net acres) and Meander River – 664,703 gross acres (241,312 net acres). A map showing the Company's gross acreage position in these areas will be found on page 18 of this report. Geophysical work was carried out on all of the foregoing and three dry holes were drilled, but considerably more work is required and planned. In 1967 the Company completed its first successful Rainbow Lake oilwell.

The developments in the Rainbow Lake and Bistcho Lake areas have again focussed the attention of the oil industry on the need for more vigorous expansion of crude oil markets. As every Alberta oilfield shares, pro rata, in the demand for oil it follows that unless new markets are quickly obtained older fields will have to be cut back to make a place for the Rainbow Lake and Bistcho Lake production. The extent to which each company will be affected if such cut-backs occur will depend upon the nature of its oil reservoirs.

The Company is in the fortunate position of obtaining the largest share of its production from the Swan Hills fields which, under the latest rules of the Oil and Gas Conservation Board, will be given increased allowables beginning in 1969. On balance, our gains from higher Swan Hills allowables should offset any market loss in other areas that results from new production from the Keg River area. Under present circumstances the Company will share in additional crude oil exports from Alberta to the extent of approximately two per cent.

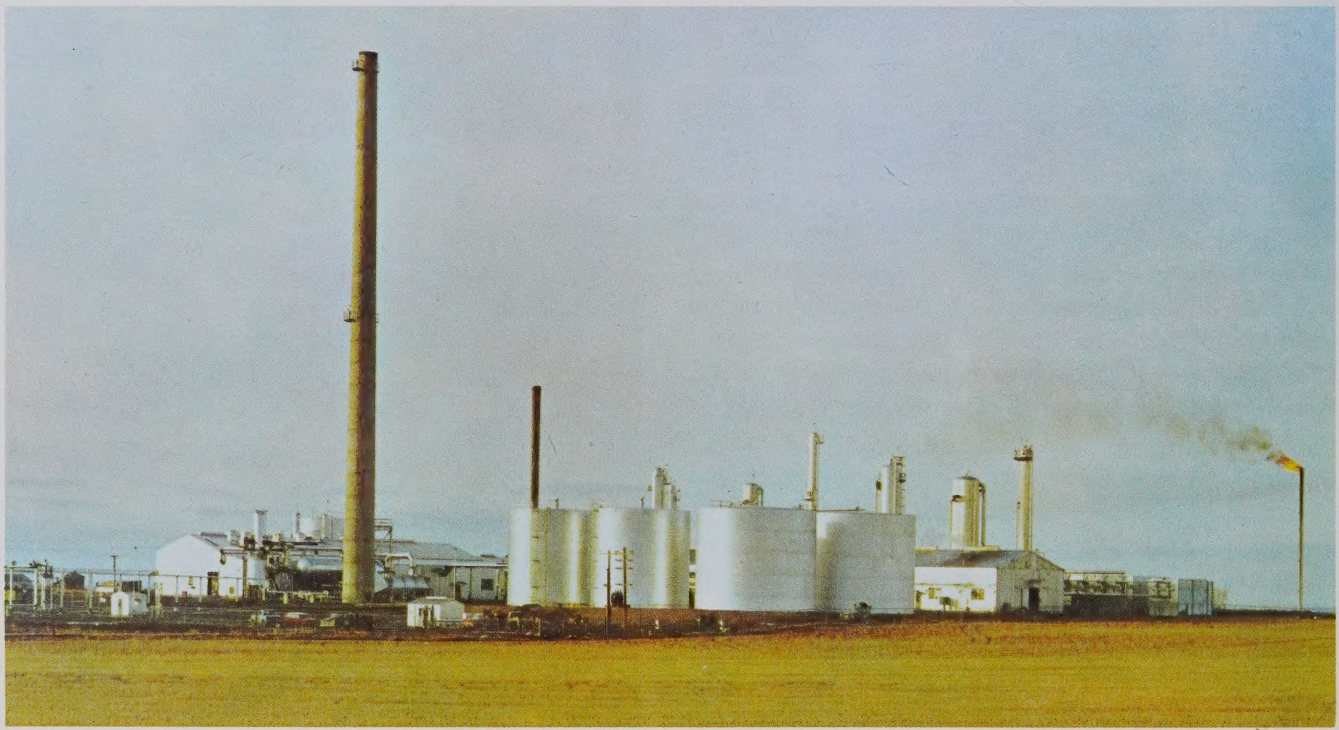
Production

Crude oil and natural gas liquids production was 13,400 barrels per day compared with 12,809 barrels per day in 1965. As will be seen from the table on page 19, increased crude oil production in the Swan Hills, Virginia Hills, Mitsue and Harmattan-Elkton fields was more than sufficient to make up for production losses in fields where allowables were reduced.

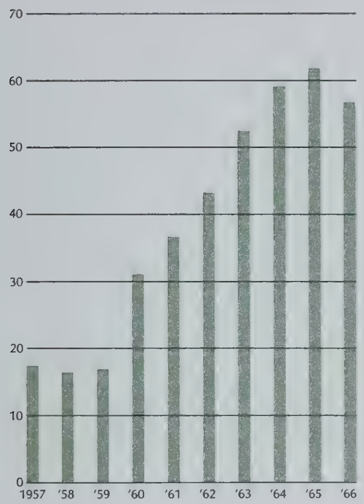
During 1966 the daily average sales of natural gas were 56.8 million cubic feet per day, compared with 61.8 million cubic feet per day in 1965. This decrease reflects a return to normal sales after the exceptional demand for natural gas experienced in 1965 when Trans-Canada Pipe Lines purchased gas volumes from the Carstairs plant in excess of normal requirements. Total natural gas liquids production increased to 1,949 barrels per day.

Pipelines

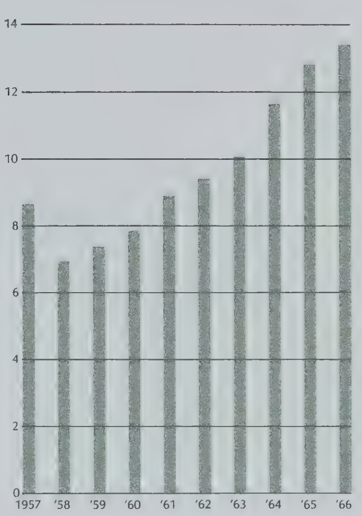
The Company continues to hold interests in three crude oil pipelines. In our wholly owned Cremona Pipe Line Division, the volume of crude oil, condensate and butanes averaged 36,265 barrels per day which compared favourably with volumes handled in 1965. Although the quantity of crude oil



NATURAL GAS SALES
Millions of cubic feet per day



CRUDE OIL AND N.G. LIQUIDS PRODUCTION
Thousands of barrels per day



handled continued to decline, this was partially offset by increased condensate and butane gatherings.

Federated Pipe Lines Ltd., which is 50 per cent owned by the Company, increased its throughput to an average of 128,462 barrels per day. This is an increase of 16% over the volume delivered in 1965. The Federated Pipe Line system consists of 287 miles of gathering lines and 242 miles of main transmission lines. Federated Pipe Lines Ltd. now handles the largest volume of crude oil per day of any pipeline within the Province of Alberta.

Mitsue Pipe Lines Ltd., in which the Company has a one-third interest, had an average daily throughput of 22,800 barrels, which included throughput from the Rainbow field. During the year the addition of a total of 4,500 horsepower in four pumping stations increased Mitsue's capacity to 46,000 barrels per day.

Processing

Higher prices, coupled with increased sales of such by-products as propane, butane and sulphur, helped to sustain the Company's natural gas revenue despite the small decline in the volume of sales of natural gas. At the Harmattan Area plant additional facilities were installed to improve the recovery of propane and butane. At the Harmattan Leduc plant gas processing and sulphur recovery facilities were also installed but were in operation for only a part of 1966. The Company holds a 15% interest in this plant and the full effect of these improvements will be felt in 1967.

An $8,500,000 enlargement of the Carstairs-Crossfield plant which the Company operates and has an 18% interest in, is under construction. This expansion will increase the capacity from 200 million cubic feet per day to 260 million cubic feet per day and provide for recovery of essentially all the propane and butane contained in the gas.

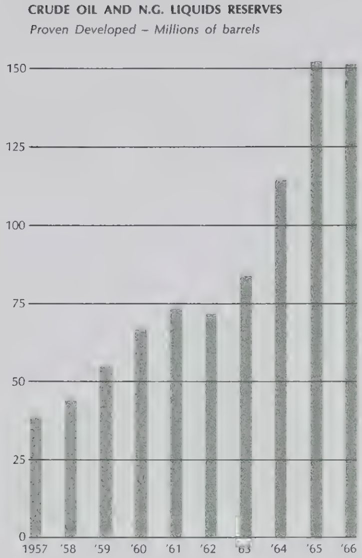
At Nevis, the field owners negotiated a 25% increase in the volume of gas sales to Trans-Canada Pipe Lines. The new contract became effective in October and the larger gas sales for the full year of 1967 will have a significant effect on the Company's income. Further development drilling in the Nevis field in 1966 proved up additional gas reserves and hence the field owners expect to negotiate a further escalation of contract gas sales during the coming year.

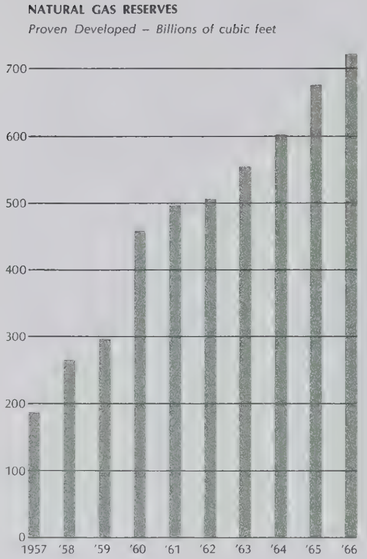
The sale of sulphur is becoming an increasingly important source of revenue to the Company. During the year net revenue from sulphur was $492,629 compared with net revenue of $168,629 in 1965. It is anticipated that in 1967 there will be a further increase in net sulphur revenue to approximately $1,000,000.

Reserves

A summary of crude oil, natural gas liquids, natural gas and sulphur reserves, as computed by the Company's engineers, may be found on page 10. Development drilling and improved field performance in a number of pools made it possible to maintain the reserves of crude oil and natural gas liquids in spite of increased production.

Natural gas reserves increased substantially during the past year as a result of development drilling in the Marten Hills, Nevis and Harmattan areas. Pending results of future development drilling at Lockton, no estimate of reserves in the United Kingdom has been included.





Sulphur reserves are estimated to be 1,241,000 long tons. Due to increased world demand, the price of sulphur has risen during the past two years to an average of $30 at the plant, from approximately $10 per ton.

General

Your Company continued its policy of diversifying its activities within the framework of the energy and natural resources industries.

During the year the Company entered into the liquefied petroleum gas storage, processing and marketing fields. A new company, Hardisty Storage Ltd. was formed of which your Company is the manager and owns a one-third interest. Hardisty Storage Ltd. is presently constructing underground storage caverns in salt beds by the leaching process which will have an initial capacity of one million barrels. This capacity may be increased by further leaching. A six thousand barrel per day butane fractionating plant is also under construction. Your

Company has acquired a 50% interest in Can-Am Liquids Ltd. and Can-Am Transportation Inc., newly formed companies for the marketing and transportation of the liquefied petroleum gas from this plant.

Outlook

During 1966 your Company, together with eighteen other independent oil companies, retained Walter J. Levy Inc. of New York to prepare an outlook for Canadian crude production and markets. This report was a study in depth of the present Canadian crude oil marketing situation and included recommendations as to future action in order to increase the export of Canadian crude to U.S. markets. It emphasizes the importance and urgency of planning transportation facilities necessary for penetration into the U.S. midwest in order to improve the competitive position of Canadian crude in future markets. The report further stresses the importance of dealing with these problems now, particularly in face of the increased reserves being proven in the Rainbow - Zama Lake - Bistcho Lake areas of northern Alberta. The U.S. midwest represents a logical large potential market for this expected increased production.

The recently announced major looping program by Interprovincial Pipe Line Limited is consistent with this general approach. The Montreal area remains as another important potential market for Canadian crude oil. The expansion of Interprovincial's capacity will put it in a position to extend its facilities to Montreal if efforts to expand export markets prove unsuccessful.

The demand for natural gas continued to expand in 1966 throughout Canada and the United States. Canadian demand has now reached the point where the construction of a new pipeline has become necessary. For this reason it is most unfortunate that Governmental approval of Trans-Canada's Great Lakes project was unnecessarily delayed. As the completion of this project is in the best interests of the gas consumers of the United States and Eastern Canada, and is important to the future growth of Trans-Canada, your Company is hopeful that all necessary permits will be obtained within a matter of a few months so construction can begin in 1967.

Mr. Renault St-Laurent, Q.C., LL.D., of Quebec City was appointed to the Board of Directors of the Company. Mr. St-Laurent is a partner of St-Laurent, Monast, Desmeules & Walters, and a director of several companies. Mr. St-Laurent brings to the Board valuable business and financial experience.

It is again my pleasure to express the appreciation of the Board of Directors for the effort and accomplishments of the staff, and to the shareholders for their support and interest.

Submitted on behalf of the Board of Directors,

R. A. Brown Jr.

President.

Exploration Acreage – January 1, 1967

Area	Petroleum and Natural Gas Leases		Reservations, Licences, Permits		Total	
	Gross	Net	Gross	Net	Gross	Net
Alberta	1,658,642	744,820	1,897,842	1,087,311	3,556,484	1,832,131
Alaska	265,813	115,122	–	–	265,813	115,122
British Columbia	46,759	16,416	–	–	46,759	16,416
Ontario	70,189	34,318	–	–	70,189	34,318
Saskatchewan	58,447	19,603	538,017	249,624	596,464	269,227
United Kingdom	–	–	1,700,758	850,380	1,700,758	850,380
TOTAL	2,099,850	930,279	4,136,617	2,187,315	6,236,467	3,117,594

Reserves – January 1, 1967

Category	Crude Oil (barrels)	Natural Gas Liquids (barrels)	Natural Gas (1,000 cu. ft.)	Sulphur (long tons)
Proven				
Developed	133,971,400	17,654,000	721,606,000	1,241,000
Undeveloped	108,200	–	–	–
	134,079,600	17,654,000	721,606,000	1,241,000
Probable Additional				
Secondary	81,172,300	285,400	15,835,000	17,000
Areal	674,100	–	42,336,000	–
	81,846,400	285,400	58,171,000	17,000
TOTAL	215,926,000	17,939,400	779,777,000	1,258,000

Reserves estimated by the Company's reservoir engineers.

TRANS-CANADA PIPE LINES LIMITED

Trans-Canada Pipe Lines Limited's operating revenues in 1966 were $154,130,564, an increase of 13% over 1965 operating revenues of $136,973,179. Net revenue prior to payment of dividends on preferred shares was $16,500,714. Net income applicable to common shares was $14,751,048 compared to $14,170,392 in 1965.

A construction program of $30,627,704 was completed in 1966. Under the program the Company completed the first loop of its 34-inch system in Western Canada by adding 89 miles of 34-inch pipe. Looping of the Company's 20-inch system between Toronto and Montreal was begun in 1966 with the laying of 17 miles of 24-inch pipe. A 41 mile, 16-inch pipeline from the Alberta-Saskatchewan border to Unity was also completed and 29,100 horsepower added in new compression facilities.

Assuming timely regulatory approvals of the Great Lakes project are received, the Company's 1967 construction program will be approximately $32,000,000. If however, Trans-Canada does not secure United States regulatory approvals to its Great Lakes project in a reasonably short time, the growing markets for natural gas in Eastern Canada may force Trans-Canada to commence substantial looping of its 30-inch system with a 36-inch line north of the Great Lakes. In this event the Company's 1967 construction program would be considerably larger. Trans-Canada has entered the oil and gas exploration field in western Canada and southwestern Ontario through a wholly owned subsidiary, Banner Petroleums Limited.

CALGARY POWER LTD.

Calgary Power Ltd. supplies two thirds of the electric power requirements in the Province of Alberta. The Company's load in 1966 was 3,672 million kilowatt-hours, an increase of 10% over 1965.

Gross operating revenue for 1966 of $38,740,000 was $1,068,000 more than the preceding year. Net income for 1966 was $9,931,000 compared with $9,726,000 in 1965. The Company recently revised its accounting practice regarding interest during construction, in line with that of most utility companies in Canada and the United States, and the foregoing figures are computed on this new basis.

The Company's current program for the development of its system will see the completion in 1967 of a second generating unit at the Big Bend Plant of the Brazeau Power and Storage Development and a fourth unit at the Wabamun Plant. The addition of these units, of 190,000 kilowatts and 286,000 kilowatts respectively, will bring the Company's generating capability to 1,249,000 kilowatts. The Company is planning to construct a new thermal station near coal lands on the south side of Lake Wabamun, with the first unit of 286,000 kilowatts now on order and expected to come into operation early in 1971.

Legislation passed in 1966 by the Federal Government and the Province of Alberta will result in a rebate to consumers of about 95% of the corporation income tax paid by investor-owned electric and gas utility companies. This will remove most of the discrimination with respect to income tax that has existed between investor-owned and publicly-owned electric utilities, and will enhance the Company's ability to sell more power.

The City of Calgary is the Company's largest load, representing about 22% of the total revenue. A new contract has been completed with the City which secures this business for the Company until at least 1980.

AUDITORS' REPORT

TO THE SHAREHOLDERS
HOME OIL COMPANY LIMITED

We have examined the accompanying consolidated financial statements of Home Oil Company Limited and subsidiaries for the year ended December 31, 1966 comprising the consolidated balance sheet as at that date and the consolidated statements of earnings, retained earnings and source and use of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the aforementioned statements present fairly the financial position of the companies as at December 31, 1966 and the results of their operations and the source and use of funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Alberta
February 17, 1967

RIDDELL, STEAD, GRAHAM & HUTCHISON
Chartered Accountants

CONSOLIDATED STATEMENT OF SOURCE AND USE OF FUNDS

For the year ended December 31, 1966

	1966	1965
FUNDS WERE OBTAINED FROM		
Net earnings	$ 4,897,806	$ 5,221,120
Add charges to earnings not requiring funds including depreciation, amortization and deferred income taxes	5,733,738	5,699,569
Net flow of funds from operations	10,631,544	10,920,689
Long term borrowings – net	21,587,000	5,696,155
Issuance of capital stock	1,390,518	774,011
	$33,609,062	$17,390,855
FUNDS WERE USED FOR		
Property, plant and equipment	12,370,102	8,803,245
Repayment of long term debt	4,951,561	3,064,176
Dividends	2,458,676	2,416,878
Investment in Calgary Power Ltd.	527,763	12,988,266
Other investments – net	1,239,120	977,995
	21,547,222	28,250,560
Increase (decrease) in working capital	12,061,840	(10,859,705)
	$33,609,062	$17,390,855

The accompanying notes to financial statements are an integral part of the above statement.

CONSOLIDATED STATEMENT OF EARNINGS

For the year ended December 31, 1966

	1966	1965
REVENUE		
Operating revenue	$ 18,175,539	$ 17,320,196
Interest and dividends	3,458,545	2,809,766
	21,634,084	20,129,962
EXPENSE		
Operating expense	2,917,447	2,610,853
General and administrative expense	2,392,928	2,045,557
Amortization	2,306,095	2,327,470
Depreciation	1,275,735	1,104,395
Interest and expense on long term debt	5,758,279	4,444,716
Other interest	49,086	170,351
	14,699,570	12,703,342
Net earnings before deferred income taxes	6,934,514	7,426,620
DEFERRED INCOME TAXES (Note 4)	2,036,708	2,205,500
NET EARNINGS	4,897,806	5,221,120
SPECIAL CREDIT		
Gain on sale of fixed assets	–	516,133
NET EARNINGS (including special credit in 1965)	$ 4,897,806	$ 5,737,253

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

For the year ended December 31, 1966

BALANCE at beginning of year		$ 19,423,274
Net earnings for the year		4,897,806
		24,321,080
Dividends declared		
Class A shares	$ 1,329,429	
Class B shares	1,129,247	2,458,676
BALANCE at end of year		$ 21,862,404

The accompanying notes to financial statements are an integral part of the above statements.

CONSOLIDATED BALANCE SHEET as at December 31, 1966

ASSETS

	1966	1965
CURRENT ASSETS		
Cash	$ 5,910,409	$ 8,528,507
Marketable securities, at cost (quoted market value, $2,249,392)	1,843,177	609,574
Accounts receivable	5,556,248	4,610,314
Inventories of materials and supplies at or below average cost	222,603	298,175
	13,532,437	14,046,570
INVESTMENTS, at cost		
Trans-Canada Pipe Lines Limited (Note 2)	33,469,925	33,388,410
Calgary Power Ltd. (Note 2)	13,516,029	12,988,266
Other investments	4,846,785	3,751,189
	51,832,739	50,127,865
PROPERTY, PLANT AND EQUIPMENT, at cost (Note 7)	148,040,483	141,797,123
Less accumulated amortization and depreciation	48,470,222	51,109,898
	99,570,261	90,687,225
OTHER ASSETS AND DEFERRED CHARGES		
Unamortized debt discount and expense	945,420	1,026,694
Miscellaneous	455,203	474,425
	1,400,623	1,501,119
	$166,336,060	$156,362,779

The accompanying notes to financial statements are an integral part of the above balance sheet.

LIABILITIES

	1966	1965
CURRENT LIABILITIES		
Bank indebtedness	$ –	$ 12,900,000
Accounts payable and accrued charges	3,549,840	3,392,798
Dividends payable	1,606,677	1,571,422
Current maturities of long term debt	2,277,077	2,145,347
	7,433,594	20,009,567
LONG TERM DEBT (Note 8)	86,623,864	69,940,811
DEFERRED INCOME TAXES (Note 4)	16,253,373	14,216,665

SHAREHOLDERS' EQUITY

	1966	1965
CAPITAL STOCK (Note 3)		
Authorized		
7,000,000 Class A shares of no par value		
5,000,000 Class B shares of no par value		
Issued and fully paid (including shares held by subsidiary companies – see below)		
2,683,771 Class A shares (1965 – 2,609,902)	23,239,937	22,198,842
2,536,540 Class B shares (1965 – 2,500,690)	13,917,384	13,567,961
	37,157,321	35,766,803
RETAINED EARNINGS	21,862,404	19,423,274
	59,019,725	55,190,077
Less – cost of 275,506 Class B shares held by subsidiary companies	2,994,496	2,994,341
	56,025,229	52,195,736
	$166,336,060	$156,362,779

Approved on behalf of the Board:

R. A. Brown Jr. Director

Robert W. Campbell Director

NOTES TO FINANCIAL STATEMENTS as at December 31, 1966

1. ACCOUNTING POLICIES

(i) Full Cost Method of Accounting

The Company and its subsidiaries follow the full cost method of accounting whereby all costs of exploring for and developing oil, gas and related reserves are capitalized. Such costs include lease acquisition costs, geological and geophysical expense, carrying charges of non-producing property, costs of drilling both productive and non-productive wells, and overhead expense related to exploration activities. The portion of the costs associated with operations in Canada are amortized using the unit of production method based upon estimated recoverable Canadian reserves as determined by Company engineers. Costs associated with exploration in the United Kingdom, including all overhead expense incurred prior to the commencement of production, will be amortized based upon reserves discovered in the United Kingdom.

(ii) Depreciation

Depreciation of plant and equipment, applied on the straight line method, is based upon the estimated service life of each group of assets.

(iii) Principles of Consolidation

(a) The consolidated financial statements of the Company include the accounts of all companies in which the Company directly, or indirectly, has ownership of more than 50% of the voting capital stock. These include United Oils, Limited, Coastal Oils Limited, Foothills Oil and Gas Company, Limited, Home Oil Company of Canada (a U.S. company), and Home Oil of Canada Limited (a U.K. company). The Company owns 95.3% of the shares of United Oils, Limited and virtually 100% of the shares of the remaining subsidiaries.

(b) Current assets and current liabilities of foreign subsidiaries are converted to Canadian dollars using the exchange rate at the date of the balance sheet. Fixed assets of these subsidiaries are converted at the rate in effect at the time the assets are acquired while expense items are converted using the average rate of exchange for the year.

2. INVESTMENTS

The Company, as at December 31, 1966, held 1,291,885 common shares of Trans-Canada Pipe Lines Limited (market value $31,328,000) and 526,875 common shares of Calgary Power Ltd. (market value $11,064,000). The market value of these investments is based upon the closing market prices on the Toronto Stock Exchange on December 30, 1966.

3. CAPITAL STOCK

(i) Dividends

There are restrictions on the payment of cash dividends on the Class B shares and of dividends in excess of 25 cents per annum on the Class A shares under the provisions of the deeds of trust and mortgage securing certain of the long term debt outstanding. Under the most restrictive provision the amount of surplus available for dividends at December 31, 1966 was $14,421,000 after providing for dividends to be paid January 1, 1967.

(ii) Shares Reserved for Exercise of Warrants and Conversion of Debt

There were 1,137,170 Class A shares reserved at December 31, 1966 for issuance upon the exercise of warrants and the conversion of debt as follows:

Warrants to purchase Class A shares in the amounts of 76,975 at $14.55 U.S. per share and 32,990 at $17.66 U.S. per share on or before July 1, 1976	109,965
$20,544,100 principal amount of 5½% Convertible Subordinated Debentures are convertible on or before December 1, 1984 into Class A shares at $20.00 per share ...	1,027,205
	1,137,170

(iii) Options to Purchase Capital Stock

As at December 31, 1966, employees (including officers and directors) held options to purchase 1,743 Class A shares and 36,365 Class B shares at prices ranging from $6.55 to $22.00 per share, exercisable to December 29, 1975. In all cases the option price is equal to or greater than the market price at the granting date, after adjustment for dilution arising from a stock dividend paid in Class A shares during 1963. During 1966, options on 3,639 Class A and 35,850 Class B shares were exercised; options on 15 Class A and 690 Class B shares were terminated.

All options on Class B shares were issued under the Employees' Incentive Share Option Plan under which 150,000 Class B shares were set aside for issuance to employees. At January 1, 1966, 936 Class B shares were available for option under the plan and at December 31, 1966, 1,626 were available. As a result of the issuance of 5½% Convertible Subordinated Debentures in 1964, the holders of options to purchase Class A and Class B shares at that time, became entitled to purchase a one hundred dollar debenture for each twenty-five Class A or B shares purchased, in accordance with the anti-dilution provision of the option agreements. As at December 31, 1966, the amount of debentures which may be purchased by such optionees was $116,800.

A summary of optioned shares at January 1, 1966 and December 31, 1966 is as follows:

	January 1, 1966*	December 31, 1966
Class A shares –		
Officers and directors ..	2,771	35
Other employees	2,626	1,708
	5,397	1,743
Class B shares –		
Officers and directors ..	44,437	16,835
Other employees	28,468	19,530
	72,905	36,365

* Adjusted to reflect the transfer of 278 Class A and 5,434 Class B shares from the category of "other employees" to "officers and directors".

(iv) Shares Issued During the Year

During the year, 73,869 Class A shares and 35,850 Class B shares were issued for $1,041,095 and $349,423 respectively on conversion of outstanding debentures, exercise of share purchase warrants and exercise of share options.

4. INCOME TAXES

It is the policy of the companies to make charges against earnings for depreciation of plant and equipment based upon the estimated service life of each group of assets and to amortize the costs of exploring for and developing oil, gas and related reserves using the unit of production method. The companies, however, claim the maximum capital cost allowances and exploration and development costs allowed in calculating income taxes payable. In 1966, the amounts claimed for income tax purposes exceeded the provisions for depreciation and amortization charged against earnings and as a result there were no income taxes payable. The amounts of income taxes deferred have been charged to earnings and credited to "Deferred Income Taxes".

5. CONTINGENT LIABILITY

The Company has entered into throughput and deficiency agreements in effect guaranteeing 50% of the principal and interest of outstanding First Mortgage Bonds, of Federated Pipe Lines Ltd., a 50% owned company. Federated had outstanding at December 31, 1966, $13,315,000 First Mortgage Bonds.

6. DIRECTORS' REMUNERATION

Administrative expenses for 1966 include $217,950 paid as remuneration to directors and officers who are also directors.

7. PROPERTY, PLANT AND EQUIPMENT

The following is a summary of the cost of property, plant and equipment and the related accumulated amortization and depreciation as at December 31, 1966:

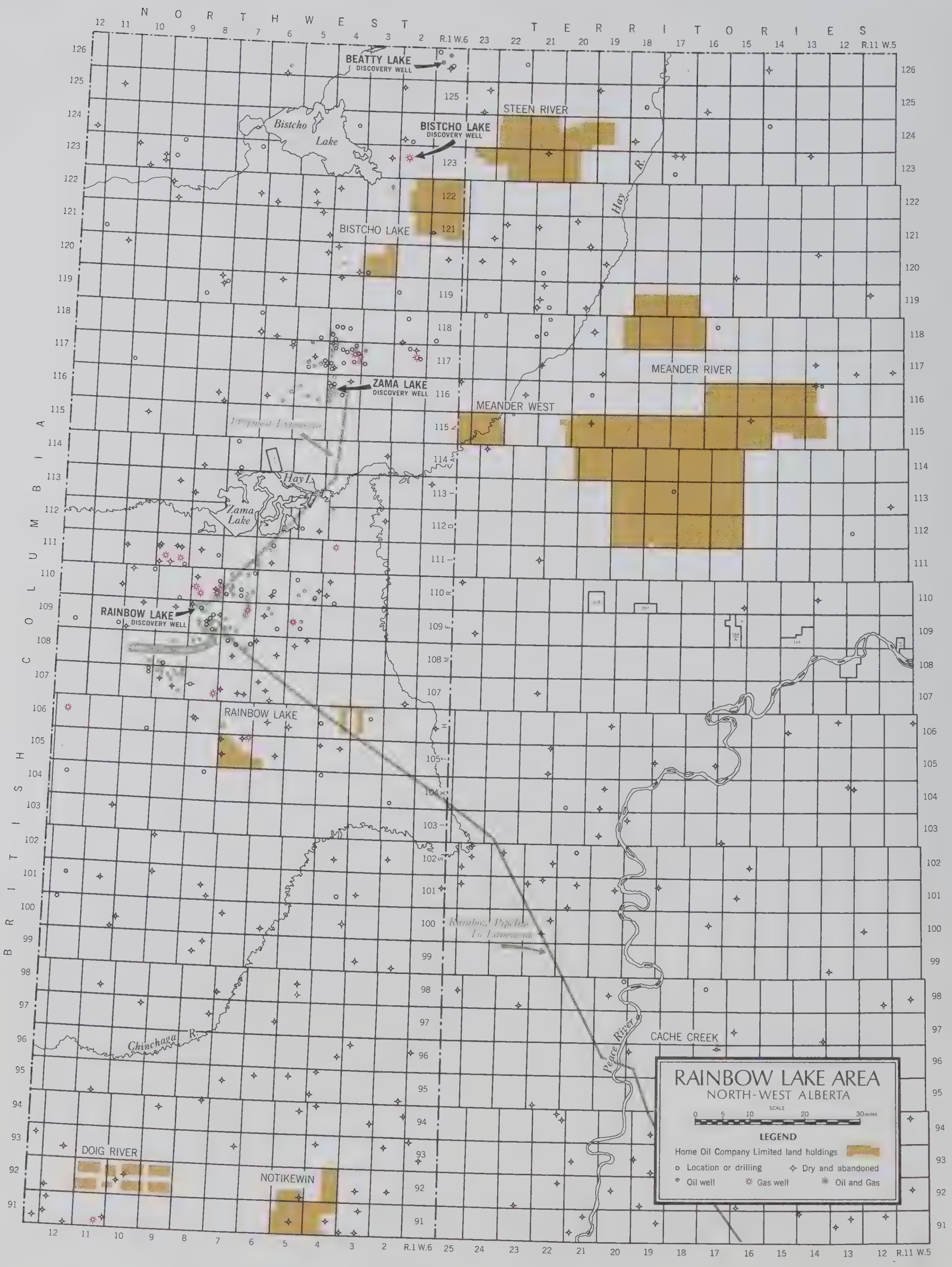
	Cost of Assets	Accumulated Amortization† and Depreciation	Net
Petroleum and natural gas leases and rights, including costs of exploration and development	$116,218,425	$39,484,494†	$76,733,931
Production equipment	18,102,805	5,604,201	12,498,604
Land, buildings, pipe line property and other equipment	13,719,253	3,381,527	10,337,726
	$148,040,483	$48,470,222	$99,570,261

8. LONG TERM DEBT

	December 31, 1966	December 31, 1965
HOME OIL COMPANY LIMITED		
5½% Secured Notes, due September 1, 1971		
Series A	$ 415,000	$ 1,495,000
Series B ($2,324,000 U.S.)	2,290,723*	–
($2,735,000 U.S.)	–	2,684,128*
(subject to annual sinking fund payments)		
6½% Secured Sinking Fund Pipe Line Bonds, due November 1, 1977	153,000	1,152,000
6½% Secured Bonds, due January 31, 1975		
($7,150,000 U.S.)	6,806,237*	–
($7,786,199 U.S.)	–	7,419,587*
(subject to payments based on production from pledged properties)		
6⅛% Secured Bonds, Series A, due July 1, 1976		
($10,910,148 U.S.)	11,272,096*	–
($11,904,032 U.S.)	–	12,287,976*
(subject to payments based on production from pledged properties)		
5⅞% Secured Bonds, Series B, due January 1, 1981 ($19,863,718 U.S.)	21,335,650*	–
(subject to payments based on production from pledged properties)		
6¼% Collateral Trust Bonds, due April 1, 1983	$15,000,000	$15,000,000
(subject to annual sinking fund payments commencing in 1969)		
5½% Convertible Subordinated Debentures due December 1, 1984	20,544,100	20,408,200
(subject to annual sinking fund payments commencing in 1969)		
6¾% Mortgage, maturing January 1, 1978 (payable in monthly instalments)	1,238,870	1,312,853
UNITED OILS, LIMITED		
6⅛% Secured Bonds, Series A, due July 1, 1976		
($4,158,949 U.S.)	4,495,564	–
($4,585,002 U.S.)	–	4,956,101
(subject to payments based on production from pledged properties)		
5⅞% Secured Bonds, Series B, due January 1, 1981		
($4,980,813 U.S.)	5,349,701*	–
($5,000,000 U.S.)	–	5,370,313*
(subject to payments based on production from pledged properties)		
	88,900,941	72,086,158
Less current maturities	2,277,077	2,145,347
	$86,623,864	$69,940,811

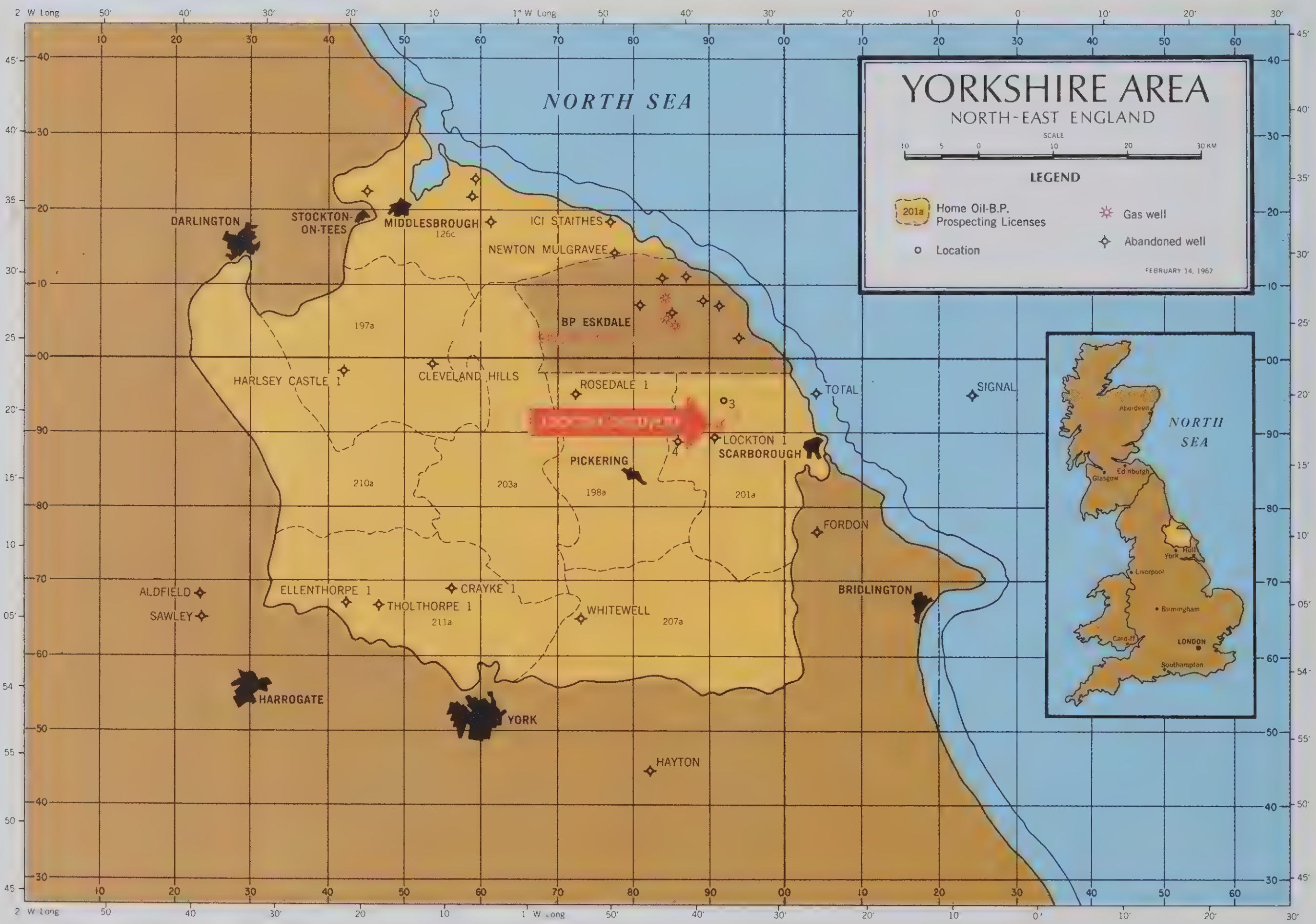
* Recorded at the rate of exchange in effect when the funds were received by the Company.

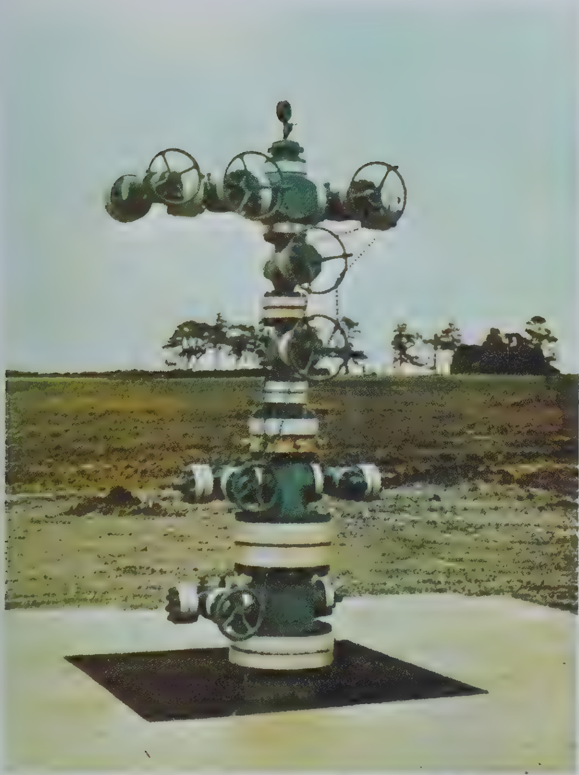
The estimated amount in Canadian dollars of long term debt maturities and sinking fund requirements for the four years subsequent to 1967 are as follows: 1968 – $2.8 million, 1969 – $4.5 million, 1970 – $5.0 million, 1971 – $5.2 million.


RAINBOW LAKE AREA
NORTH-WEST ALBERTA
SCALE
0 5 10 20 30 miles
LEGEND
Home Oil Company Limited land holdings
Location or drilling
Dry and abandoned
Oil well
Gas well
Oil and Gas
NORTHWEST TERRITORIES
BRITISH COLUMBIA
BEATTY LAKE DISCOVERY WELL
BISTCHO LAKE DISCOVERY WELL
ZAMA LAKE DISCOVERY WELL
RAINBOW LAKE DISCOVERY WELL
STEEN RIVER
BISTCHO LAKE
MEANDER RIVER
MEANDER WEST
RAINBOW LAKE
CACHE CREEK
DOIG RIVER
NOTIKEWIN
Bistcho Lake
Hay L.
Zama Lake
Hay R.
Chinchaga R.
Peace River
Rainbow Pipeline To Edmonton
R.1 W.6
R.11 W.5

SOURCES OF PRODUCTION

Net Wells Dec. 31/66	Producing Field	1966	1965	1964	1963	1962
	CRUDE OIL – Barrels					
68.06	Swan Hills	1,782,699	1,665,081	1,325,564	959,586	836,079
54.48	Pembina	456,209	481,731	551,795	323,244	316,726
108.88	Turner Valley	337,751	357,980	400,199	404,263	402,028
32.03	Leduc-Woodbend	253,183	289,200	355,640	359,980	379,905
11.83	Virginia Hills	395,857	350,084	292,544	220,057	205,522
15.80	Harmattan-Elkton	263,957	253,156	256,600	380,359	389,727
16.75	Mitsue Saulteaux	284,113	206,178	19,923	–	–
45.98	Others	405,702	398,187	423,421	428,548	426,893
353.81	Total Crude Oil	4,179,471	4,001,597	3,625,686	3,076,037	2,956,880
	Daily Average	11,451	10,963	9,906	8,427	8,101
	NATURAL GAS LIQUIDS – Barrels					
–	Carstairs-Elkton	303,089	352,684	326,788	321,896	275,704
2.41	Harmattan	198,791	169,132	143,963	126,261	73,469
–	Calgary	67,878	34,078	30,339	27,951	33,561
–	Nevis	54,368	54,050	54,569	46,823	26,768
–	Others	87,186	63,983	72,907	66,589	65,368
2.41	Total Natural Gas Liquids	711,312	673,927	628,566	589,520	474,870
	Daily Average	1,949	1,846	1,717	1,615	1,301
	Total Crude Oil and Natural Gas Liquids	4,890,783	4,675,524	4,254,252	3,665,557	3,431,750
	Daily Average	13,400	12,809	11,623	10,042	9,402
	NATURAL GAS – Thousands of Cubic Feet					
3.15	Carstairs-Elkton	9,269,126	10,912,021	9,797,152	9,266,463	7,411,032
3.16	Nevis	3,351,456	3,461,556	3,498,045	3,061,199	1,886,021
.70	Calgary	1,679,361	1,525,560	1,478,498	1,254,560	1,375,478
10.55	Turner Valley	863,453	1,184,000	2,609,436	2,662,567	2,271,159
.32	Sarcee	1,072,345	989,878	817,455	681,918	654,521
–	Swan Hills	738,070	472,724	350,343	53,103	–
1.20	Pendant d'Orielle	569,152	603,662	458,034	496,465	373,405
2.97	Retlaw	492,531	425,919	49,901	–	–
–	Jumping Pound	465,686	587,474	895,641	707,099	793,798
.80	South Elkton	415,636	139,615	–	–	–
3.44	Others	1,804,286	2,262,972	1,737,938	978,155	979,193
26.29	Total Natural Gas	20,721,102	22,565,381	21,692,443	19,161,529	15,744,607
	Daily Average	56,770	61,823	59,269	52,497	43,136


YORKSHIRE AREA
NORTH-EAST ENGLAND
SCALE
10 5 0 10 20 30 KM
LEGEND
201a Home Oil-B.P. Prospecting Licenses
Location
Gas well
Abandoned well
FEBRUARY 14, 1962
NORTH SEA
DARLINGTON
STOCKTON-ON-TEES
MIDDLESBROUGH
ICI STAITHES
NEWTON MULGRAVEE
BP ESKDALE
HARLSEY CASTLE 1
CLEVELAND HILLS
ROSEDALE 1
TOTAL
SIGNAL
LOCKTON 1
SCARBOROUGH
PICKERING
FORDON
BRIDLINGTON
ALDFIELD
SAWLEY
ELLENTHORPE 1
THOLTHORPE 1
CRAYKE 1
WHITEWELL
HARROGATE
YORK
HAYTON
126c
197a
210a
203a
198a
201a
211a
207a
NORTH SEA
Aberdeen
Edinburgh
Glasgow
York
Hull
Liverpool
Birmingham
Cardiff
LONDON
Southampton



Scenes from the company's operations in England

A TEN YEAR REVIEW

	1966	1965	1964
FINANCIAL			
Gross Revenue	$21,634,000	20,130,000	18,109,000
Net Earnings (Exclusive of Special Credits)	$ 4,898,000	5,221,000	4,218,000
Per Share	$ .99	1.08	.89
Special Credits	$ –	516,000	1,012,000
Per Share	$ –	.11	.21
Net Flow of Funds from Operations	$10,632,000	10,921,000	9,643,000
Per Share	$ 2.15	2.26	2.03
Dividends Declared per Share			
Class A Shares	$ .50	.50	.35
Class B Shares	$ .50	.50	.35
Number of Shares Outstanding	4,945,000	4,835,000	4,741,000
Number of Shareholders	13,700	13,900	12,800
Working Capital (Deficiency)	$ 6,099,000	(5,963,000)	4,897,000
Cost of Finding and Developing Reserves			
Exploration Expenditures	$ 6,999,000	5,296,000	3,495,000
Development Expenditures	$ 4,089,000	2,876,000	3,259,000
Property, Plant and Equipment – net	$99,570,000	90,687,000	84,046,000
Investments in Other Companies	$51,833,000	50,128,000	36,331,000
Long Term Debt (less current maturities)	$86,624,000	69,941,000	67,287,000
OPERATING			
Production and Sales			
Crude Oil and Natural Gas Liquids			
Production – barrels per day	13,400	12,809	11,623
Natural Gas Sales – thousand cubic feet per day	56,770	61,823	59,269
Sulphur Sales – long tons	20,343	14,714	19,913
Proven Developed Reserves			
Crude Oil and Natural Gas Liquids – barrels	151,625,000	152,489,000	114,937,000
Natural Gas – thousand cubic feet	721,606,000	677,001,000	601,833,000
Sulphur – long tons	1,241,000	*	*
Drilling Activity			
Gross Wells Drilled	54	78	52
Net Oil Wells Completed	3	11	16
Net Gas Wells Completed	6	3	1
Net Dry Wells Drilled	11	21	8
Exploration Acreage			
Gross Acres	6,236,000	5,762,000	5,759,000
Net Acres	3,118,000	2,382,000	2,035,000
Daily Average Pipe Line Gatherings			
Cremona Pipe Line Division (wholly owned)	36,265	36,348	33,496
Federated Pipe Lines Ltd. (50% owned)	128,462	110,719	82,252

*Not calculated.

1963	1962	1961	1960	1959	1958	1957
14,412,000	13,140,000	11,554,000	9,282,000	7,781,000	7,523,000	9,376,000
2,188,000	1,374,000	1,174,000	33,000	(1,130,000)	(268,000)	1,089,000
.48	.30	.26	.01	(.25)	(.06)	.28
1,034,000	–	–	2,690,000	–	1,593,000	–
.23	–	–	.59	–	.35	–
6,941,000	5,399,000	4,631,000	3,290,000	3,146,000	3,935,000	5,542,000
1.52	1.19	1.02	.72	.69	.87	1.41
.25	.25	.25	.25	.25	.25	.25
.25	–	–	–	–	–	–
4,565,000	4,548,000	4,542,000	4,542,000	4,542,000	4,514,000	3,929,000
12,800	13,000	13,000	13,030	12,600	12,370	11,413
(1,001,000)	(3,317,000)	1,280,000	(9,454,000)	(31,954,000)	(20,992,000)	(3,387,000)
2,933,000	2,045,000	2,165,000	2,570,000	2,703,000	4,596,000	3,006,000
3,528,000	2,226,000	2,618,000	4,713,000	5,136,000	4,139,000	2,202,000
64,559,000	60,774,000	58,327,000	54,936,000	53,463,000	47,715,000	46,817,000
33,887,000	41,169,000	40,614,000	39,763,000	34,421,000	31,187,000	13,572,000
47,069,000	52,430,000	55,943,000	42,315,000	14,122,000	15,436,000	23,132,000

10,042	9,402	8,908	7,849	7,357	6,935	8,651
52,497	43,136	36,073	30,697	16,701	16,040	17,476
6,569	4,392	3,555	–	–	–	–
84,419,000	71,725,000	73,196,000	66,820,000	54,981,000	43,919,000	38,913,000
55,300,000	506,660,000	497,713,000	459,271,000	297,096,000	266,389,000	186,762,000
*	*	*	*	*	*	*
68	65	78	98	57	43	30
8	9	11	19	11	5	10
3	2	1	2	3	3	1
9	10	11	7	6	7	5
4,712,000	3,561,000	3,609,000	3,791,000	4,725,000	2,541,000	2,027,000
1,408,000	1,007,000	1,055,000	1,189,000	1,660,000	1,104,000	769,000
31,862	29,260	17,597	10,850	9,452	8,055	5,546
67,727	58,918	42,257	19,654	5,185	–	–

DIRECTORS

JOHN W. MOYER
Calgary, Alberta
Chairman of the Board of the Company.

ROBERT A. BROWN, JR.
Calgary, Alberta
President and Managing Director of the Company;
Chairman and President of Cygnus Corporation Limited;
President of Natural Resources Growth Fund Ltd.;
Director of Trans-Canada Pipe Lines Limited, Crown Trust Company, Calgary Power Ltd.

ROBERT W. CAMPBELL
Calgary, Alberta
Executive Vice-President and General Manager of the Company;
Executive Vice-President and Director of Cygnus Corporation Limited;
Vice-President and Director of Natural Resources Growth Fund Ltd.;
Director of Trans-Canada Pipe Lines Limited.

E. FRED DAVIS
Los Angeles, California
Consultant to the Company.

MERVYN A. DUTTON
Calgary, Alberta
Chairman of the Board of Standard Holdings Ltd.;
President of Chinook Shopping Centre Ltd.;
Director of Crown Trust Company.

PERCY M. FOX
Montreal, Quebec
Chairman of the Board of The Great Lakes Paper Company, Limited;
President of Mohawk Corporation Limited;
Director of Argus Corporation Limited, Canadian Imperial Bank of Commerce, The Royal Trust Company, Domtar Limited, St. Lawrence Corporation Limited.

WILLIAM F. JAMES
Toronto, Ontario
Partner of James, Buffam & Cooper;
Vice-President and Director of Alminex Limited and Canadian Gas and Energy Investments Ltd.;
Director of Canadian Imperial Bank of Commerce, Cygnus Corporation Limited, Falconbridge Nickel Mines Limited, National Trust Company, Limited, The Patino Mining Corporation.

HARRY I. PRICE
Toronto, Ontario
Chairman of the Board of Harry Price Insurance Limited;
Director of Bramalea Consolidated Developments Ltd., Bridge & Tank Company of Canada Limited, Burns Foods Limited, Cygnus Corporation Limited.

RENAULT ST-LAURENT, Q.C., LL.D.
Quebec, Quebec
Partner of St-Laurent, Monast, Desmeules & Walters;
Director of The British Motor Corporation of Canada Ltd., Anglo-Canadian Pulp and Paper Mills, Ltd., Rock City Tobacco Co. (1960) Ltd., Banque Canadienne Nationale, National Trust Company, Limited, Sicard Inc., The Imperial Life Assurance Company of Canada, Scott Paper Limited, Gelco Enterprises Ltd., Canadian National Railways.

G. HARRY THOMPSON, M.C.
Calgary, Alberta
Chairman of the Board of Calgary Power Ltd.;
Vice-President and Director of Montreal Engineering Company Ltd.;
Director of Trans-Canada Pipe Lines Limited, Natural Resources Growth Fund Ltd.

ALVIN J. WALKER
Montreal, Quebec
Chairman, President and Managing Director of Holt Renfrew & Co. Ltd.;
Director of Windsor Hotel Ltd.

JAMES B. WEIR, O.B.E., E.D.
Montreal, Quebec
Chairman of the Board of Oswald Drinkwater & Graham Ltd.

RALPH F. WILL
Calgary, Alberta
Private Investments.

OFFICERS

J. W. MOYER, Chairman of the Board

R. A. BROWN, JR., President and Managing Director

R. W. CAMPBELL, Executive Vice-President and General Manager

G. J. BLUNDUN, Vice-President, Exploration

R. B. COLEMAN, Vice-President, Secretary and General Counsel

I. M. DRUM, Vice-President, Special Projects

M. P. PAULSON, Vice-President, Production and Pipelines

R. F. PHILLIPS, Vice-President, Administration

G. W. BENNETT, Comptroller

B. B. ROMBOUGH, Treasurer

T. R. DENTON, Assistant Secretary

F. G. MITCHELL, Assistant Secretary

HEAD OFFICE
304 Sixth Avenue S.W.
Calgary, Alberta

AUDITORS
Riddell, Stead, Graham & Hutchison

SOLICITORS
Macleod, Dixon, Burns, Love, Leitch, Lomas, Charters & Montgomery, Calgary, Alberta

Dunnington, Bartholow & Miller, New York, N.Y.

BANKERS
Canadian Imperial Bank of Commerce

The Chase Manhattan Bank

TRANSFER AGENTS
Crown Trust Company

The Chase Manhattan Bank

REGISTRARS
Crown Trust Company

The Canadian Bank of Commerce Trust Company

LISTINGS
Toronto Stock Exchange
Vancouver Stock Exchange
Calgary Stock Exchange
Montreal Stock Exchange
American Stock Exchange
Pacific Coast Stock Exchange

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